OFA Contract

Contract No. 03-45576

CONTRACT AGREEMENT

THIS CONTRACT AGREEMENT, entered into this 17th day of October, 2002, between the INTERMOUNTAIN POWER SERVICE CORPORATION (IPSC), a nonprofit organization under contract to the Intermountain Power Agency (IPA), a political subdivision of the state of Utah, organized and existing under the Interlocal Co-Operation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended, and Babcock Borsig Power, Inc., a Corporation, with its principal office in Worcester, MA hereinafter called the (Contractor),

WHEREAS, IPSC has prepared specifications and other Contract Documents for Design, Supply, and Installation of Boiler Uprate Modifications on Unit 1 and Unit 2, as detailed in the Contract Documents (the Work), and has requested proposals from bidders to perform the Work;

WHEREAS, Contractor has submitted to IPSC a Proposal in accordance with the terms of this Contract Agreement; and

WHEREAS, IPSC has determined and declared Contractor to be the lowest and best, regular responsible bidder for the said Work, subject to execution of this Contract Agreement;

<u>AGREEMENTS</u>: In consideration of the compensation to be paid to Contractor, and of the mutual terms and conditions contained herein, IPSC for itself and its successors, and Contractor for itself and its permitted successors and assigns, hereby agree as follows:

<u>ARTICLE I</u>: Contractor shall perform in accordance with the provisions of this Contract Agreement, including the "Contract Documents" identified in Article III hereof.

ARTICLE II: Contractor will be paid for its performance under this Contract Agreement in accordance with the provisions of the Contract Documents, including those provisions in the Article entitled "Limitation of Liability; Responsible Party" in Part E, Division E1, General Conditions.

Boiler Uprate.